

Advanced Management Program

Were We Ready for Change?

A Case Study of Mandatory Reductions at

Marine Corps Maintenance Center Albany, Georgia



Agenda

- Team Members
- Introduction
- MCMC Case Study
- 8 Steps to Transformation
- Change Readiness Assessment Study
- Lessons Learned
- MCMC Today
- Best Management Practices
- Recommendations
- Questions

Team Members

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Introduction

- Proactive management is necessary for successful transformation
- Failures to manage correctly
 - Mission degradation
 - Unrealized cost avoidance or expected savings
 - Unnecessary organizational churn
 - Low morale
- Let's consider a specific example

Case Study



Marine Corps Maintenance Center
Albany, Georgia

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Case Study (cont.)

6

Background

- Mission of MCMC Albany
- Volume of Business: \$80 - \$100 million annually
- Employees prior to and after change

Mandate in FY99

- Reduce funding 30% in FY00 –FY03
- Reduce funding 10% each year
- Maintain same mission

Case Study (cont.)

The plan was to reduce staffing by 30% over 3 year period beginning FY01

- Vehicles used for reduction of staff:
 - VISP/VERAs

- Results:
 - Workforce average age change:
FY99 = 52 → FY03 = 48
 - Total employee reduction was:
Net 86 vice 200 target (FY01/02)
 - Forced to rehire critical skills

ter's 8 Steps to Transformation⁸

(NAVSUP Transformation Website)

1. Establish a Sense of Urgency
2. Forming a Powerful Guiding Coalition
3. Creating a Vision
4. Communicating the Vision
5. Empowering Others to Act on the Vision
6. Planning for and Creating Short Term Wins
7. Consolidating Improvements & Producing Still More Changes
8. Institutionalizing New Approaches

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Were We Ready?

- Used a survey called the Change Readiness Assessment which evaluates the organization across eight general factors

- Participants:
 - 3 Upper managers (GS-14/15)
 - 3 Middle managers (GS-12/14)
 - 4 First line supervisors (WS)

Were We Ready? (cont.)¹⁰

The quantitative results are summarized as follows:

Upper Management:	48.5
Middle Management:	50.8
1 st Line Supervisors:	78.8
Overall Average:	60.8

To score the survey, points are added up as follows:

110 points or more You are in excellent shape to implement this change

90-109 You are in good shape, but could fine-tune some areas

70-89 Your change effort will be slowed by this level of

readiness

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What Did We Learn? ¹¹

- VERA/VSIP not effective in a multi-year workflow reduction
 - Strategy with short-term “wins” could help focus the organization
 - A shared vision throughout the organization is necessary for buy-in and to fully manage the change
 - Coordinating and communicating goals are critical for successful implementation
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MCMC Today

- Change in leadership
- ISO 9001
- Using collaborative change techniques
- Seeking input from staff
- Preparing for change
- Theory of constraints
- Reduced cycle times
- Positive net operating results
- Positive accumulated operating results

Best Management Practice¹³

- Survey and assess results of your organization's readiness for change
- Evaluate targets
- Prepare organization
- Communicate before, during & after...
- Deal with and don't ignore the unknown
- Learn from others -- private industry & DoD

Recommendations

- Increase awareness throughout DoD:
 - Training in classes such as Navy PCO/PXO Leadership Course
 - Education through publications and internet
 - Training on the implications of using VISP/VI

Recommendations (cont.)¹⁵

- The curriculum should include:
 - Best practices when implementing changes
 - Early and continuous planning for change
 - Clearly defining the required end-state or goal
 - Communicating goals throughout the organization
 - Developing FAQs, and reviewing lessons learned
 - Looking long term and resist temptation for “low ha
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Questions?